

SCOTTSDALE



CITY COUNCIL MEETING

*** AMENDED NOTICE AND AGENDA (ITEM NO. 17 CONTINUED) ***

COUNCIL

Mary Manross, Mayor

Betty Drake

Wayne Ecton

W.J. "Jim" Lane

Robert W. Littlefield

Ron McCullagh

Kevin J. Osterman

Monday, May 15, 2006

4:00 P.M.

CITY COUNCIL SPECIAL MEETING

MARKED AGENDA

Call to Order – City Hall Kiva Forum, 3939 N. Drinkwater Boulevard – **4:02 PM**

Roll Call – **COUNCILMEMBER DRAKE ARRIVED 4:15 PM**

Boards, Commissions and Task Forces

Environmental Quality Advisory Board. Approve Non-Member Appointments to Standing Committees.

- **Green Building Advisory Committee.** *Nominees:* Daniel Aiello, Joan Baron, Christopher Harrison, Jesse Henson, Mary Grace Hime, DeeJaye Lockwood, Frances Kelly Smith, Nick Davis, Lance Donatello, Linda Eales, Kevin Edwards, Lee Feliciano, James McCay, Beverly Westgaard – **OK**
- **Energy Advisory Committee.** *Nominees:* Keith Thompson, Penny Allee Taylor, Angela Creedon, Joe Campo dal'Orto, Lori Grover, Herjinder Hawkins, Stephen Anderson – **OK**
- **Water Advisory Committee.** *Nominee:* Don Manthe – **OK**

How the Board and Commission Interview and Appointment Process Works: The Council will spend a few minutes interviewing each board and commission nominee. At the conclusion of the interviews, the Council will make the appointments. Once the appointments have been made, the Council will take a short recess and reconvene at 5:00 p.m. to consider the remainder of the items on tonight's agenda.

Interview of citizen nominees and appointments to City boards and commissions.

Board of Adjustment. *Nominees:* Patrick Davis, Michal Joyner

Council action to fill one vacancy. – **PATRICK DAVIS**

Building Advisory Board of Appeals. *Nominee:* Thomas Schleifer

Council action to fill one vacancy. – **THOMAS SCHLEIFER**

Development Review Board. *Nominees:* Perry Becker, David Brantner, Michael D'Andrea, Michael Edwards, Daniel Perez, Thomas Rief, Thomas Schleifer – **DAVID BRANTNER, MICHAEL D'ANDREA, MICHAEL EDWARDS**
Council action to fill one Design vacancy and two Development vacancies.

Environmental Quality Advisory Board. *Nominee:* Ronald Hand

Council action to fill one vacancy. – **RONALD HAND**

Housing Board. *Nominees:* Nancy Cantor, Nicholas Thomas

Council action to fill one vacancy. – **NANCY CANTOR**

Library Board. *Nominee:* Camille Schmidt

Council action to fill one vacancy. – **CAMILLE SCHMIDT**

Scottsdale Pride Committee. *Nominees:* Donna Hardin, Linda Preisser

Council action to fill two vacancies. – **DONNA HARDIN, LINDA PREISSER**

Transportation Commission. *Nominees:* Joel Bram'O weth, Kelly McCall, Andrea Michaels, Jack Sisley, Josh Weiss, Alan Wulkan – **KELLY MCCALL, ANDREA MICHAELS, JOSH WEISS**

Council action to fill three vacancies.

5:00 P.M.
CITY COUNCIL MEETING

Call to Order – City Hall Kiva Forum, 3939 N. Drinkwater Boulevard – **5:33 PM**

Roll Call – **ALL PRESENT**

Pledge of Allegiance – **BROWNIE TROOP No. 226**

Invocation – **PASTOR DAVID HODGSON, CONGREGATIONAL CHURCH OF THE VALLEY; ARCHBISHOP ANTONY OF THE UKRAINIAN ORTHODOX CHURCH AND INTERPRETER**

Presentations/Information Updates

Appointments – **MOTION TO APPROVE – OK – 7/0**

Approve the Appointment of City Court Pro Tem Judges for the period of May 15, 2006 through May 15, 2008.

Public Comment – **SOLANGE WHITEHEAD SPOKE IN SUPPORT OF PROPOSITION 402**

Citizens may complete one speaker/citizen comment card per night and submit it to the City Clerk before or during this evening's meeting. Please check the box that refers to "Public Comment." This "Public Comment" time is reserved for citizen comments regarding non-agendized items. No official Council action can be taken on these items.

CONSENT AGENDA ITEMS 1-19

How the Consent Agenda Works: The Council may take one vote to act on all items on the Consent Agenda, or may remove items for further discussion. Every interested citizen will have one opportunity to speak on any or all Consent Agenda items. If you wish to speak on these items, please complete a Comment Card for each topic you wish to address. **You will be given at least three minutes to speak on all the Consent Agenda items you wish to address. Additional time for multiple agenda items will be at the Mayor's discretion.**

After all speakers have finished, the City Council will decide which items to remove for additional discussion and/or presentation from staff. Items not removed from the Consent Agenda will be considered in one motion. Items removed for clarification or discussion by the Council will be acted on as appropriate.

1. **Frank & Lupe's Old Mexico Permanent Extension of Premises – OK – C**
Request: Consider forwarding a recommendation to the Arizona Department of Liquor Licenses and Control for a permanent extension of premises for an existing restaurant.
Location: 4121 N. Marshall Way
Reference: 15-EX-2006
Staff Contact(s): Frank Gray, Planning and Development Services General Manager, 480-312-2890, fgray@scottsdaleaz.gov; Connie Padian, Chief Customer Service Officer, 480-312-2664, cpadian@scottsdaleaz.gov

CONSENT AGENDA

Monday, May 15, 2006
Page 3 of 9

2. **3 Palms Resort Oasis (Hotel/Motel) Liquor License – OK – C**
Request: Consider forwarding a recommendation to the Arizona Department of Liquor Licenses and control for a series 11 (hotel/motel) liquor license for an existing location.
Location: 7707 E. McDowell Road
Reference: 22-LL-2006
Staff Contact(s): Frank Gray, Planning and Development Services General Manager, 480-312-2890, fgray@scottsdaleaz.gov; Connie Padian, Chief Customer Service Officer, 480-312-2664, cpadian@scottsdaleaz.gov
3. **Methode Bistro (Restaurant) Liquor License – OK – C**
Request: Consider forwarding a recommendation to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) liquor license for an existing location.
Location: 6204 N. Scottsdale Road, #106
Reference: 23-LL-2006
Staff Contact(s): Frank Gray, Planning and Development Services General Manager, 480-312-2890, fgray@scottsdaleaz.gov; Connie Padian, Chief Customer Service Officer, 480-312-2664, cpadian@scottsdaleaz.gov
4. **Pink Taco (Restaurant) Liquor License – OK – C**
Request: Consider forwarding a recommendation to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) liquor license for a new location.
Location: 7135 E. Camelback Road, Suite 125
Reference: 25-LL-2006
Staff Contact(s): Frank Gray, Planning and Development Services General Manager, 480-312-2890, fgray@scottsdaleaz.gov; Connie Padian, Chief Customer Service Officer, 480-312-2664, cpadian@scottsdaleaz.gov
5. **Julio G's (Restaurant) Liquor License – OK – C**
Request: Consider forwarding a recommendation to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) liquor license for an existing location.
Location: 7633 E. Indian School Road
Reference: 26-LL-2006
Staff Contact(s): Frank Gray, Planning and Development Services General Manager, 480-312-2890, fgray@scottsdaleaz.gov; Connie Padian, Chief Customer Service Officer, 480-312-2664, cpadian@scottsdaleaz.gov
6. **Bakery Café at El Pedregal (Beer and Wine Bar) Liquor License – OK – C**
Request: Consider forwarding a recommendation to the Arizona Department of Liquor Licenses and Control for a person transfer of a series 7 (beer and wine bar) liquor license for an existing location.
Location: 34505 N. Scottsdale Road
Reference: 27-LL-2006
Staff Contact(s): Frank Gray, Planning and Development Services General Manager, 480-312-2890, fgray@scottsdaleaz.gov; Connie Padian, Chief Customer Service Officer, 480-312-2664, cpadian@scottsdaleaz.gov

7. **The Wine Studio (Beer and Wine Bar) Liquor License – OK – C**

Request: Consider forwarding a recommendation to the Arizona Department of Liquor Licenses and Control for a person transfer of a series 7 (beer and wine bar) liquor license for an existing location.

Location: 7337 E. Shea Boulevard

Reference: 29-LL-2006

Staff Contact(s): Frank Gray, Planning and Development Services General Manager, 480-312-2890, fgray@scottsdaleaz.gov; Connie Padian, Chief Customer Service Officer, 480-312-2664, cpadian@scottsdaleaz.gov

8. **Julio's Too (Restaurant) Liquor License – OK – C**

Request: Consider forwarding a recommendation to the Arizona Department of Liquor Licenses and Control for a series 12 (restaurant) liquor license for an existing location.

Location: 7305 E. Camelback Road

Reference: 30-LL-2006

Staff Contact(s): Frank Gray, Planning and Development Services General Manager, 480-312-2890, fgray@scottsdaleaz.gov; Connie Padian, Chief Customer Service Officer, 480-312-2664, cpadian@scottsdaleaz.gov

9. **Boulders Resort (Hotel/Motel) Liquor License – OK – C**

Request: Consider forwarding a recommendation to the Arizona Department of Liquor Licenses and Control for a series 11 (hotel/motel) liquor license for an existing location.

Location: 34631 N. Tom Darlington Road, Building A

Reference: 31-LL-2006

Staff Contact(s): Frank Gray, Planning and Development Services General Manager, 480-312-2890, fgray@scottsdaleaz.gov; Connie Padian, Chief Customer Service Officer, 480-312-2664, cpadian@scottsdaleaz.gov

10. **Tanner's (Restaurant) Liquor License – OK – C**

Request: Consider forwarding a recommendation to the Arizona Department of Liquor Licenses and Control for a person and location transfer of a series 6 (bar) liquor license for an existing location that previously operated with a series 12 (restaurant) license.

Location: 6990 E. Shea Boulevard, Suite 101

Reference: 76-LL-2005

Staff Contact(s): Frank Gray, Planning and Development Services General Manager, 480-312-2890, fgray@scottsdaleaz.gov; Connie Padian, Chief Customer Service Officer, 480-312-2664, cpadian@scottsdaleaz.gov

CONSENT AGENDA

Monday, May 15, 2006
Page 5 of 9

11. **Tanner's Conditional Use Permit – OK – C**

Requests:

1. Approve a conditional use permit for a bar in an existing 4,000 +/- square foot building located at 6990 E. Shea Boulevard, Suite 101, with Central Business District (C-2) zoning.
2. Adopt Resolution No. 6893 affirming the conditional use permit.

Related Policies, References:

- The area was annexed by the City in 1963.
- Case 5-ZN-83 rezoned the 40+/- acre Agua Caliente property, south of this site in 1983.
- Case 29-DR-1988 gave development approval for the Agua Caliente Shopping Center.

Location: 6990 E. Shea Boulevard

Staff Contact(s): Frank Gray, General Manager Planning and Development Services, 480-312-2890, fgray@scottsdaleaz.gov; Randy Grant, Chief Planning Officer, 480-312-7995, rgrant@scottsdaleaz.gov

12. **Scottsdale Foothills Condominiums GLO Abandonment – OK – C**

Requests:

1. Abandon 66-foot GLO easement at the approximate location of the N. 92nd Place alignment.
2. Abandon 66-foot GLO easement at the approximate location of the N. 93rd Street alignment.
3. Abandon west 33-foot GLO easement at the approximate location of the N. 93rd Place alignment.
4. Abandon the north 33-foot GLO easement at the approximate location of the E. Gelding Drive alignment.
5. Adopt Resolution No. 6895 vacating and abandoning a public right-of-way.

References: 123-DR-1987, 49-ZN-1984, 55-ZN-1984

Location: 9259 E. Raintree Drive

Staff Contact(s): Frank Gray, General Manager Planning and Development Services, 480-312-2890, fgray@scottsdaleaz.gov; Randy Grant, Chief Planning Officer, 480-312-7995, rgrant@scottsdaleaz.gov

13. **Term Length of Associate City Judges – OK – C**

Request: Adopt Ordinance No. 3678, amending Chapter 9 of the Scottsdale Revised Code, relating to the City Court, to change the term of appointments of Associate City Judges and to add clarifying definitions.

Related Policies, References:

- Scottsdale Revised Code Sections 9-1 (Definitions) and 9-2 (Judges generally).
- Scottsdale Revised Code Sections 2-346 through 2-360 (Judicial Appointments Advisory Board). Article 11, Section 2, Scottsdale City Charter, relating to the City Judge. Article 13, Section 2, Arizona Constitution.

Staff Contact(s): Neal Shearer, Assistant City Manager, 480-312-2604, nshearer@scottsdaleaz.gov; Teri Traaen, Human Resources General Manager, 480-312-2615, ttraaen@scottsdaleaz.gov

14. **Comprehensive Financial Policies for Financial Planning and Management – MOTION TO APPROVE, AND AMENDING THE COMPREHENSIVE FINANCIAL POLICIES TO INCLUDE PRESENTATION OF ANNUAL REPORTS BY INDEPENDENT AUDITORS, INCLUDING ANY MANAGEMENT OR ENGAGEMENT LETTERS TO THE PUBLIC AND CITY COUNCIL – OK – 7/0**

Request: Adopt Resolution No. 6887 relating to Comprehensive Financial Policies as the formal guidelines for the City of Scottsdale's financial planning and management.

Staff Contact(s): Craig Clifford, Financial Services General Manager, 480-312-2364, cclifford@scottsdaleaz.gov

CONSENT AGENDA

Monday, May 15, 2006

Page 6 of 9

15. Rose Garden Parking Lot Development Agreement Amendment – OK – C

Request: Adopt Resolution No. 6901 authorizing Agreement No. 2005-121-COS-A1, an amendment to the existing development agreement between the City and Rose Garden Partners LLC relating to the development of the City-owned Rose Garden parking lot at the northwest corner of Goldwater Boulevard and 5th Avenue and adjacent developer-owned property along 5th Avenue and the Canal.

Related Policies, References:

- July 5, 2005 City Council approval of Resolution No. 6699 and the original Rose Garden Development Agreement, 2005-121-COS
- March 8, 2005 City Council authorization to enter into an Exclusive Right to Negotiate period with Rose Garden Partners LLC
- April 5, 2004 City Council authorization to issue RFPs for possible development of four downtown parking lots
- Downtown Vision Principles, adopted February, 2002

Staff Contact(s): David Roderique, General Manager, Economic Vitality Department, 480-312-7601, droderique@scottsdaleaz.gov

16. Feasibility Study for South Freeway Frontage Road, Hayden Road to Princess Drive, and Freeway Interchange Improvements at Pima Road – OK – C

Request: Adopt Resolution No. 6877 authorizing the Mayor to execute Engineering Services Contract 2006-024-COS with Parsons Transportation Group, Inc., in an amount not to exceed \$89,000, for the preparation of feasibility studies for a south freeway frontage road, Hayden Road to Princess Drive, and for freeway interchange improvements at Pima Road.

Staff Contact(s): Mary O'Connor, Transportation General Manager, 480-312-2334, moconnor@scottsdaleaz.gov

*****17. Item No. 17 Continued – Removed from Agenda**

18. Legal Services Contract for City of Scottsdale v. Bruce Corey, et al. – OK – C

Request: Adopt Resolution No. 6899 authorizing the Mayor to execute Contract No. 2003-166-COS-A4, an outside counsel contract renewal in a maximum amount of Thirty-five Thousand Dollars (\$35,000.00) with the law firm of Ayers & Brown, P.C. for legal services regarding representation of the City of Scottsdale in the litigation entitled *City of Scottsdale v. Bruce Corey, et al.*, Superior Court Case No. CV2000-017994, an eminent domain action brought to acquire real property for the McDowell Sonoran Preserve.

Related Policies, References: Resolution No. 6476

Staff Contact(s): Deborah Robberson, City Attorney, 480-312-2405, drobberson@scottsdaleaz.gov; Bruce Washburn, Assistant City Attorney, 480-312-2405, bwashburn@scottsdaleaz.gov

19. Payment of Legal Expenses for Lemke, et al. v. City of Scottsdale, et al. – OK – C

Request: Adopt Resolution No. 6903 approving the payment of legal fees to Holloway Odegard Forrest Kelly & Kasperek P.C., in the defense and settlement of *Lemke, et al. v. City of Scottsdale, et al.* CV2003-014321, filed in the Maricopa County Superior Court.

Staff Contact(s): Deborah Robberson, City Attorney, 480-312-2405, drobberson@scottsdaleaz.gov

Regular Agenda begins on the Following Page

How the Regular Agenda Works: The Council takes a separate action on each item on the Regular Agenda. If you wish to address the Council regarding any or all of the items on the Regular Agenda, please complete a Comment Card for each topic you wish to address and submit it to the City Clerk. **You will be given at least three minutes to speak per item. Comment cards must be submitted before public testimony has begun on any regular agenda or public hearing item.**

20. Public Hearing on the Proposed 2006/07 Operating Budget and Capital Improvement

Plan – MOTION TO ACCEPT THE BUDGET SUBCOMMITTEE TENTATIVE BUDGET CONSIDERATIONS LIST WITH THE EXCEPTION OF THE CULTURAL COUNCIL REQUESTS AND CITY HALL SECURITY; AND INCLUDING THE PROVISION THAT THE YOUTH SPORTS FIELD MAINTENANCE AGREEMENT AND DOWNTOWN MARKETING GROUP RETURN TO THE COUNCIL FOR FINAL CONSIDERATION – OK – 7/0.

MOTION TO INCLUDE TWO ONGOING CULTURAL COUNCIL BUDGET REQUESTS OF \$250,000 FOR THEATER 4301 AND \$53,757 SMOCA COLLECTION PRESERVATION INTO THE FY 2006/07 BUDGET – OK – 5/2 (JL, RL).

MOTION TO LEAVE CITY HALL SECURITY FUNDING IN FY 2006/07 BUDGET PENDING FURTHER REVIEW – OK – 6/1 (JL).

MOTION TO INCLUDE CULTURAL COUNCIL BUDGET REQUEST OF ONE-TIME COST FOR SMOCA ASSESSMENT FOR COLLECTION IN THE AMOUNT OF \$24,450 – OK – 6/1 (RL).

MOTION TO ADOPT ORDINANCE No. 3677 AS AMENDED – OK – 7/0.

Requests:

1. Solicit public input relative to the Proposed FY 2006/07 Operating Budget and Capital Improvement Plan. The City Council receives public input relative to the Proposed FY 2006/07 Operating Budget and Capital Improvement Plan, and adopts the Tentative Budget Estimates in accordance with the Arizona State Statutes and the City Charter.
2. Adopt Ordinance No. 3677 setting the City's maximum legal spending limit for FY 2006/07. The maximum expenditure limit established with the Tentative Budget Adoption may be reduced by City Council before the Final Budget Adoption takes place. Under Arizona State law, once the Tentative Budget estimate is adopted, the City Council may not increase the maximum expenditure limit.

Staff Contact(s): Craig Clifford, Financial Services General Manager/CFO, 480-312-2364, cclifford@scottsdaleaz.gov; Art Rullo, Budget Director, 480-312-2435, arullo@scottsdaleaz.gov

21. Public Hearing and Adoption of Rates and Fees – MOTION TO APPROVE – OK – 7/0

Requests:

1. Accept citizen comments at a public hearing regarding proposed rates and fees.
2. Adopt Ordinance No. 3671 and Resolution No. 6862 amending Scottsdale Revised Code Chapters 24 and 49 for *Water, Sewer, and Solid Waste Fees*, by 1) increasing water rate revenues 5.5 percent effective November 1, 2006; increasing sewer rate revenues 6.0 percent effective July 1, 2006; and increasing solid waste fees 2.5 percent effective July 1, 2006; and 2) implement administrative changes.
3. Adopt Ordinance No. 3672 and Resolution No. 6867 approving and adopting fees related to select Fire Department services, per document titled "Fees and Charges for Services by the Fire Department."
4. Adopt Resolution No. 6889 approving and adopting a 2.0 percent increase, with rounding, to certain Planning and Development Services fees, effective July 1, 2006; and a reduction of Planning and Development Services sign permit fees, effective July 1, 2006.
5. Approve Ordinance No. 3668 amending Scottsdale Revised Code Chapter 2 Section 137 by 1) increasing the bank returned check fee from \$15 to \$25 and 2) allowing the fee to be charged on all forms of electronic payments accepted by the City and 3) allowing a fee waiver in situations in which the payment was dishonored for reasons beyond the maker's control.

Item No. 21 is continued on the following page

REGULAR AGENDA

Monday, May 15, 2006
Page 8 of 9

Item No. 21 continued from previous page

Related Policies, References:

- Resolution No. 6674: A Resolution of the City of Scottsdale, Arizona, Establishing Financial Policies Section 1. Operating Management Policy Number 8: “Enterprise (Water, Sewer, Solid Waste Management, and Airport) user fees and charges will be examined annually to ensure that they recover all direct and indirect costs of service and be approved by City Council.” “Rate adjustments for enterprise operations will be based on five-year fund plans.”
- Resolution No. 6674: A Resolution of the City of Scottsdale, Arizona, Establishing Financial Policies Section 1. Operating Management Policy Number 9: “All non-enterprise user fees and charges will be examined annually to determine the direct and indirect cost of service recovery rate. The acceptable recovery rate and any associated changes to user fees and charges will be approved by the City Council.”
- Water and Sewer Rates and Fees, Scottsdale Revised Code, Chapter 49
- Solid Waste Rates and Fees, Scottsdale Revised Code, Chapter 24
- Building and Development Fee Schedule, Scottsdale Revised Code, Chapter 46
- City of Scottsdale Official Schedule of Rates and Fees
- Non-Sufficient Funds (Bank Returned Check) Fee: City Code Section 2-137; The Supreme Court of the State of Arizona Administrative Order 99-64; Arizona Revised Statute 44-6852.

Staff Contact(s): Craig Clifford, Chief Financial Officer, 480-312-2364, cclifford@scottsdaleaz.gov; Dave Mansfield, Water Operations General Manager, 480-312-5681, dmansfield@scottsdaleaz.gov; Mary O'Connor, Transportation General Manager, 480-312-2334, moconnor@scottsdaleaz.gov; Willie McDonald, Fire Chief, 480-312-1880, wmcDonald@scottsdaleaz.gov; Frank Gray, Planning and Development General Manager, 480-312-2890, fgray@scottsdaleaz.gov

22. Appaloosa Library Site Selection – MOTION TO APPROVE OPTION A – OK 6/1 (RM)

Request: Review and approve the location of the proposed Appaloosa Branch Library.

Related Policies, References:

- Community Services Facilities Master Plan, January 2004, Pages 87-93
- Case 7-GP-205
- Silverstone Case 15-ZN-205
- IGA 2001-094-COS for the Reciprocal Borrowing Program

Staff Contact(s): Debra Baird, Community Services General Manager, 480-312-2480, dbaird@scottsdaleaz.gov; Rita Hamilton, Library Director, 480-312-7039, rhamilton@scottsdaleaz.gov

Mayor and Council Items Begin on the Following Page

MAYOR AND COUNCIL ITEMS

ITEM 23

Monday, May 15, 2006
Page 9 of 9

City Manager's Report – NONE

Mayor and Council Items – NONE

23. Legislative Update – BRIDGET SCHWARTZ-MANOCK

Update: Provide updates to the City Council and receive possible direction regarding current and pending State legislative issues and policies.

Related Policies: Pursuant to the 2006 State Legislative Agenda adopted by the City Council on December 13, 2005

Staff Contact(s): Neal Shearer, Assistant City Manager, 480-312-2604, nshearer@scottsdaleaz.gov; Bridget Schwartz-Manock, Intergovernmental Relations Director, 480-312-2423, bschwartzmanock@scottsdaleaz.gov

Public Comment – NONE

Citizens may complete one speaker/citizen comment card per night and submit it to the City Clerk before or during this evening's meeting. Please check the box that refers to "Public Comment." This "Public Comment" time is reserved for citizen comments regarding non-agendized items. No official Council action can be taken on these items.

Adjournment – 9:19 PM